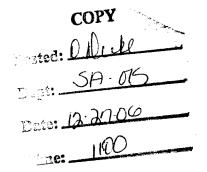


Catherine E. Heigel Assistant General Counsel 704.382.8123 OFFICE 704.382.5690 FAX ceheigel@duke-energy.com



DUKE ENERGY CAROLINAS

526 South Church St. Charlotte, NC 28202

Mailing Address: ECO3T / PO Box 1006 Charlotte, NC 28201-1006

December 22, 2006

The Honorable Charles Terreni Chief Clerk and Administrator Public Service Commission of south Carolina 101 Executive Center Drive Columbia, South Carolina 29210

RE:

Docket No. 80-251-E

Avoided Cost Information Pursuant to PURPA § 210 Motion for Confidential Treatment

Dear Mr. Terreni:

Part 292 of the Federal Energy Regulatory Commission ("FERC") regulations under Section 210 of the Public Utility Regulatory Policies Act of 1978 ("PURPA") requires electric utilities to make available and provide to its state regulatory commission certain avoided cost information. This information is to be provided "not less often than every two years." The requirement to provide avoided cost information to the Commission is also referenced in the Commission's Order dated September 29, 1980, in Docket No. 80-251-E.

Duke Energy Carolinas, LLC ("Duke Energy Carolinas" or the "Company") last provided avoided cost information pursuant to Section 292.302 of the FERC regulations to the Commission by letter dated December 22, 2004. The Company believes it is appropriate to file updated information with the Commission at this time. Accordingly, I enclose an original and ten copies of Duke Energy Carolinas' 2006 Section 292.302 filing. Attachment B (two pages) contains confidential information. By way of this letter Duke Energy Carolinas respectfully moves that these pages, which are marked confidential and enclosed in a separate envelope marked "confidential," be filed with the Commission under seal and be maintained as confidential.

Sincerely,

Catherine E. Heigel Assistant General Counsel

Lara Simmons Nichols Associate General Counsel

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Enclosures

2006 Filing

**YEAR** 

2006

PURPA SECTION 210 18 CFR 292.302 (b)(2)

**BASELOAD ADDITIONS (MW)** 

## **DUKE ENERGY CAROLINAS**

## **Future Resource Additions**

The following table contains the currently proposed resource additions from Duke Energy Carolinas' Annual Plan filed in October 2006. The table represents the annual incremental additions reflected in the Seasonal Projections of Load, Capacity, and Reserves Table of the most robust expansion plan.

## **ANNUAL CAPACITY ADDITIONS**

PEAKING/INTERMEDIATE ADDITIONS (MWa)

825 MW Rockingham Acquisition less PPAs

2007 2008	625 MW Rockingham Acquisition less PPAs	
2009		64 MW Catawba Nuclear
2010	564 MW Combustion Turbine/Combined Cycle	
2011	564 MW Combustion Turbine/Combined Cycle	800 MW Coal
2012 2013	EGANDA Comba C. T. I. (O. 11)	800 MW Coal
2013	564 MW Combustion Turbine/Combined Cycle	
2014	564 MW Combustion Turbing (Co. 1: 10	
2016	564 MW Combustion Turbine/Combined Cycle	0.77 h n h
2017		617 MW Nuclear <sup>b</sup>
2018		1117 MW Nuclear
2019		
2020		
2021	515 MW Combustion Turbine/ Combined Cycle	
	<b>,</b>	
Note a:	Although the gas-fired capacity additions shown in the most robust plan were combustion turbines, the final determination of whether the capacity should be peaking or intermediate will be based on circumstances at the time the decision is made.	
Note b:	Duke Energy Carolinas has announced it has entered into an agreement with Southern Company to evaluate potential nuclear plant construction at the jointly owned Cherokee County, S.C. location.	